

## EMPLOYMENT RELATIONS COMMISSION

Budget Summary						FTE Position Summary				
Fund	1998-99 Adjusted Base	Governor		1999-01 Change Over Base Year Doubled		1998-99	Governor		2000-01 Over 1998-99	
		1999-00	2000-01	Amount	%		1999-00	2000-01	Number	%
GPR	\$2,661,800	\$2,662,600	\$2,680,900	\$19,900	0.4%	28.50	28.50	28.50	0.00	0.0%
PR	<u>377,800</u>	<u>374,400</u>	<u>374,400</u>	<u>- 6,800</u>	- 0.9	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>	<u>0.00</u>	0.0
TOTAL	\$3,039,600	\$3,037,000	\$3,055,300	\$13,100	0.2%	33.50	33.50	33.50	0.00	0.0%

### Budget Change Items

#### 1. STANDARD BUDGET ADJUSTMENTS

GPR	\$80,800
PR	<u>- 180,800</u>
Total	- \$100,000

**Governor:** Provide \$40,400 GPR and -\$90,400 PR annually for standard budget adjustments for: (a) full funding of continuing salaries and fringe benefits costs (\$11,800 GPR and -\$90,500 PR annually); (b) full funding of financial services charges (\$500 GPR and \$100 PR annually); and (c) fifth week of vacation as cash (\$28,100 GPR annually).

#### 2. REQUIRED STATE OPERATIONS FUNDING LAPSE

GPR	- \$99,600
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**Governor:** Reduce base level funding by \$49,800 annually in the agency's general program operations appropriation to make permanent a 2% annual lapse requirement originally imposed by 1997 Wisconsin Act 27.

#### 3. DATA TRANSMISSION AND DATABASE MANAGEMENT COST INCREASES

GPR	\$38,700
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**Governor:** Provide \$10,200 in 1999-00 and \$28,500 in 2000-01 for the following data-related increased operational costs:

*High Speed Data Transmission Line.* Funding (\$10,200 annually) for a T-1 data transmission line rental charges between the agency's new office location at 18 S. Thornton Avenue and the DOA mainframe computer.

*Electronic Imaging of Commission Decisions.* Funding (\$18,300 in 2000-01) for the electronic imaging of the Commission's interest arbitration award file from 1971 to date and the records of

Commission's labor relations rulings since 1939. This imaging project would result in a computer searchable database accessible to government and private employers and to labor unions.

**4. FEE FOR PROVIDING AD HOC GRIEVANCE ARBITRATION  
PANEL SERVICES**

PR REV	\$24,000
PR	\$24,000

**Governor:** Require that the Commission assess and collect a fee each time it is requested to assemble an ad hoc panel of arbitrators to serve as an arbitrator in a grievance arbitration proceeding involving unions and employers. [WERC staff have indicated that the intent of the agency's request was to have the fee apply to situations where a list of individual arbitrators is provided to the parties by the WERC for their use in selecting a single individual to serve as an arbitrator of the grievance. A technical modification would be required to accomplish this intent.]

Provide increased expenditure authority of \$12,000 annually for support costs associated with providing these ad hoc grievance arbitration panels and the training of individuals to be included on WERC's roster of approved arbitrators. This level of expenditure authority is based on a projected arbitration panel fee of \$30 and approximately 400 panel requests annually. Require the Commission to promulgate rules establishing a schedule of fees for assembling a grievance arbitration panel. Modify the Commission's existing collective bargaining training appropriation to permit the crediting of these new fees to that appropriation account.

A grievance arbitration panel subject to this new fee assessment provision would be defined as one consisting of individuals who are neither employees nor members of the Commission and who act to resolve a dispute over the interpretation or application of a collective bargaining agreement. Under current law, the Commission assesses a \$250 filing fee from parties who request fact-finding, mediation or arbitration services, but only if these services are performed by employees or members of the Commission.

Stipulate that the new fee would be assessed against the party requesting the ad hoc arbitration panel and could be in addition to any other applicable fees assessed by the Commission. If the required fee were not paid at the time of the filing of the panel request, specify that the WERC could not act to establish the panel until the required fee had been paid. These provisions would apply to ad hoc grievance arbitration panel requests from either unions or employers under the Employment Peace Act (applicable to private sector employment), the Municipal Employment Relations Act (applicable to municipal government employment, including school district employment) or the State Employment Labor Relations Act (applicable to state government employment). Specify that the new fee would first apply to ad hoc grievance arbitration panel requests made after the general effective date of the biennial budget act.

[Bill Sections: 368, 2033, 2036, 2038 and 9316(1)]

**5. RECRUITMENT AND TRAINING OF ADDITIONAL OUTSIDE ARBITRATORS**

PR

\$50,000

**Governor:** Provide \$25,000 annually in the Commission's collective bargaining training appropriation for the costs of the recruitment and training of additional individuals who are neither employees nor members of the Commission to act as arbitrators under WERC auspices. These increased expenditures would be supported from fees that are received from the training participants.

**6. BASE SUPPLIES AND SERVICES FUNDING**

PR

\$100,000

**Governor:** Provide \$50,000 annually for general supplies and service costs incurred by WERC staff currently providing fact-finding, mediation and arbitration services on a fee-for-service basis. The increased expenditure authority would be provided under the Commission's mediation and arbitration filing fees appropriation. Revenues come from fees which WERC assesses for the filing of complaints regarding unfair labor practices and for requests for mediation or arbitration services. Currently, 5.0 FTE employees are authorized and funded under this appropriation; however, there is no base level supplies and services funding budgeted for these staff positions. The funds would be used for such costs as office space rental, telephone service and employee travel expenses.

**7. PROHIBITED SUBJECTS OF BARGAINING APPLICABLE TO ALL SCHOOL DISTRICTS**

**Governor:** Provide that no school district employer would be required to meet and confer with its represented employees for the purpose of collective bargaining concerning any of the following matters:

*Reassignments Due to Charter School Operations.* Any school district employer would be prohibited from bargaining over matters relating to: (a) the reassignment of its employees, with or without regard to seniority, as a result of a decision to contract with anyone to operate a charter school or to convert a school to a charter school; or (b) the impact of any such reassignments on the wages, hours or condition of employment of the employees who perform the services.

*Reassignments Due to Closing Low-Performance Schools.* Any school district employer would be prohibited from bargaining over matters relating to: (a) the reassignment of its employees, with or without regard to seniority, as a result of a decision to close (or subsequently reopen) a low-performance school; or (b) the impact of any such reassignments on the wages, hours or condition of employment of the employees who perform the services.

*Contracts with Nonsectarian Schools or Agencies.* Any school district employer would be prohibited from bargaining over matters relating to: (a) any decision to contract with a private nonsectarian school or agency to provide educational programs; or (b) the impact of any such

decision on the wages, hours or condition of employment of the employees who perform services for the school district employer.

Provide that these new prohibited subjects of bargaining provisions would first apply to collective bargaining agreements for which notice of commencement of contract negotiations have been filed with the WERC upon the general effective date of the biennial budget act.

Under current law, the above prohibited subjects of bargaining apply only to the Board of School Directors of the Milwaukee Public Schools. Under the proposed modifications, all school district employers (including the Milwaukee Public Schools) would be subject to these prohibitions.

[Bill Sections: 2035, 2109, 2113, 2133 and 9316(2)]

## **8. NEW PROHIBITED SUBJECT OF BARGAINING APPLICABLE TO THE STATE AS EMPLOYER**

**Governor:** Provide that the state as employer would be prohibited from engaging in collective bargaining with its represented employees concerning any of the requirements related to a new "point-of-service coverage option" mandate that would be established in the bill under proposed s. 609.23 of the statutes as it is applicable to state employee group health insurance coverage and managed care plans.

Under the new proposed mandate, a managed care health plan (that is, a health care plan that requires its insured enrollees to obtain services from certain specified providers under contract with the health plan) would have to offer its enrollees at least one "point-of-service coverage option" in each geographic area covered by the plan. A "point-of-service coverage option" would be defined as one containing all of the following elements: (a) the insured could obtain health care services from a provider of the insured's choice; (b) the selected provider need not be a participating provider under the plan or a member of the plan's network of providers; and (c) the plan would have to reimburse the provider selected for the costs of services provided to the insured if the provider is appropriately licensed and the services provided are covered under the plan. Under current law, any managed care plan offered to state employees by the Group Insurance Board must comply with the provisions of ch. 609 of the statutes.

For state group health insurance coverage, these provisions would first be required in managed care plans affected by a collective bargaining agreement containing provisions that are inconsistent with the new mandated coverage that are issued or renewed on the earlier of: (a) the day on which the collective bargaining agreement expires; or (b) the day on which the collective bargaining agreement is extended, modified or renewed. All of the above provisions would be effective on the first day of the sixth month following the general effective date of the biennial budget act.

[Bill Sections: 2037, 3036, 9326(1) and 9426(2)]